

APPENDIX F

Draft Declaration of Covenants

STONE RIDGE VIEWS SUBDIVISION COVENANTS, CONDITIONS AND RESTRICTIONS

WHEREAS, STONE RIDGE CLUB, INC., a Montana corporation, of P.O. Box 280, McAllister, MT 59740, hereinafter referred to as the "Developer," is the owner in fee simple of those certain lands more particularly described as Stone Ridge Views Subdivision, a tract of land being Lots 1 through 18 of Major Subdivision No. _____, situated in the SE¼ of Section 26, Township 4 South, Range 2 West, M.P.M., Madison County, Montana, and the NW¼ of Section 35, Township 4 South, Range 2 West, M.P.M., Madison County, Montana, together with a sixty (60) foot easement for ingress, egress and utility purposes across a portion of the NW¼ of Section 36, Township 4 South, Range 2 West, P.M.M., to the County Road, and hereinafter referred to as the "Premises" or the "Subdivision"; and

WHEREAS, the Developer, by and through the within Protective Covenants hereby creates and imposes certain covenants, conditions, restrictions, limitations, and regulations as to the use of the Premises, which Premises have been subdivided and platted into blocks and lots according to the plat thereof known as Stone Ridge Views Subdivision, and which plat has been, or will be duly filed of record with the office of the Clerk and Recorder, Madison County, Montana, and the same is hereinafter referred to as the "Plat;"

NOW, THEREFORE, the Developer does hereby establish, dedicate, declare, publish, and impose upon the Premises the following covenants, conditions, restrictions, limitations, and regulations which shall run with the land and shall be binding upon and be for the benefit and value of the Developer and all persons claiming under them, their grantees, successors and assigns and shall be for the purpose of maintaining a uniform and stable value, character, architectural design, use, and development of the Premises and to all improvements placed or erected thereon unless otherwise specifically excepted and shall have perpetual existence, unless terminated by law or amended as herein provided.

1. USE, BUILDING & IMPROVEMENT COVENANTS

A. Residential Lots

1. The Subdivision has been surveyed into residential lots for single-family dwelling units, open space and park tracts for recreational purposes and for fire protection facilities, as shown on the Plat, which is incorporated herein by this reference.

2. One single-family dwelling is allowed on each residential lot, an attached or detached private garage, guest apartment, outbuildings, a storage shed, playhouse and improvements such as decks, landscaping, trees, hedges, fences, as defined in the Stone Ridge Views Design Review Guidelines (herein referred to as the "Design Review

Guidelines”) and other non-structural improvements normally placed or installed in and around the yard of a residence are allowed for each dwelling.

3. All property owners, lessees, tenants, visitors, and guests shall have the right of access and use of the open spaces, trails, and any park areas which have been dedicated to the public by the Developer and maintained by the Owners’ Association. The Owners’ Association may plant additional vegetation and install improvements as it deems appropriate and that are consistent with the intent of the Design Review Guidelines.

4. A single-family dwelling unit which has one story above ground level, two stories above ground level, or a one story with a partial second story above ground shall be constructed so as to include at least 1,500 square feet of living space at or above ground level on one floor above the ground level. All square foot measurements shall be taken exclusive of open porches, patios, carports, garages, or basements. Measurements shall be taken around outside walls.

5. No building, structure, alteration, or improvements shall exceed thirty-eight (38) feet in height as measured from the average level of finished grade, unless a variance for a greater height is applied for and granted by the Design Review Board in accordance with the Design Review Guidelines.

6. All buildings, structures and appurtenances shall be located within the designated “buildable area” for each lot as located and shown on the Plat.

7. There shall be no continuous parking on any street of any vehicle for more than 24 hours. After notice to the owner or as posted on the vehicle, the Owners’ Association may have the vehicle towed away and impounded until the costs for such action have been paid.

8. No junk vehicles shall be parked on the street nor retained or parked on any lot. A junk vehicle is one which cannot be driven away under its own power and/or does not have a current license plate.

9. There shall be no above-ground fuel tanks. Residential propane tanks shall be buried. Above-ground small portable propane tanks for barbeques and small portable gas containers for lawn and garden equipment are allowed.

10. No commercial use may be made of any lot, except that home occupations, cottage industries or hobby businesses may be conducted out of a residence by the owner or tenant, if the following conditions are met:

- (a) the business use shall be clearly incidental and secondary to the residential use of the lot. The dwelling must be constructed and occupied before the business is operated;

- (b) the business use shall be entirely conducted inside a dwelling, garage, or out-building, including any storage of materials or equipment;
- (c) The business use shall not occupy more than 400 square feet total of the residence, garage, and storage shed combined;
- (d) non-resident employees shall not be allowed, nor shall excessive customer traffic, noise, or pollution generation be permitted;
- (e) the business use does not constitute a nuisance to neighboring property owners;
- (f) no materials, commercial vehicles, equipment or machinery shall be allowed to be stored or parked outside of the dwelling, garage or out-building;
- (g) no manufacturing-type business will be allowed.

Before a home business is commenced, the lot owner shall make application to the Design Review Board, which will determine if these criteria are met and whether or not the home occupation or hobby-business will be allowed.

11. Prior to any earth moving or construction, the lot owner shall make application to the Design Review Board in accordance with the Design Review Guidelines for review of the architectural and landscape plans, and shall receive written approval from the Design Review Board prior to commencing any construction-type activities. Preliminary temporary staking and surveying for proposed building design purposes is exempt.

12. All residences must be substantially completed within one (1) year of the commencement of construction. Substantial completion shall mean that the exterior of the structure is complete and that the siding and roofing have been attached according to the plans approved by the Design Review Board. Commencement of construction shall mean the date excavation for the foundation begins. No occupancy will be permitted until the owner has received a certificate of occupancy as outlined in the Design Review Guidelines. Construction of improvements shall only be permitted from 7:00 a.m. to 8:00 p.m., Monday through Saturday.

13. No dusk-to-dawn ranch-type yard lights shall be allowed on any lot. All exterior lighting shall be down-lighted and/or shielded so as not to produce glare offsite, nor be directed upward into nighttime skies. All exterior lighting shall have been reviewed and approved by the Design Review Board in accordance with the Design Review Guidelines prior to installation.

14. Exterior siding on all structures shall be of subdued colors in accordance with the Design Review Guidelines and approved by the Design Review Board prior to construction.

15. Building materials shall be of standard or better quality and shall be approved for residential construction by the appropriate agencies and the Design Review Board in accordance with the Design Review Guidelines.

B. Recreation Areas

1. The Developer does hereby grant to the Subdivision Owners' Association forever the tracts designated as "parks and/or open space" on the Subdivision Plat, provided that the maintenance of said parks and/or open space areas shall be undertaken by the Subdivision Owners' Association, which shall have the right to establish reasonable rules and regulations for the use of the parks and/or open space for recreational areas and for fire protection facilities.

2. Optional use of the park tracts by the Subdivision Owners' Association as recreational areas and for fire protection facilities may include the placing, construction, and remodeling of buildings, structures, and improvements related or pertaining to such uses including, but not limited to, playgrounds, clubhouse, storage sheds, ponds including fire water storage pond(s), parking, water wells, pipelines, pumping stations for irrigation, maintenance and storage buildings, storage facilities for fire protection, shelter and comfort stations, sports facilities, together with easements for the installation of any such pipes, lines, wires, or access for such improvements as shall be necessary, together with such other easements as the Subdivision Owners' Association may elect to install, but in no event shall such construction or such easements be inconsistent with these Covenants, Conditions and Restrictions or Design Review Guidelines, or detract from the use and development of the Subdivision.

2. EASEMENTS

A. Easements for electricity, natural gas, telephone, lighting, water sewer, cable television, and all other utilities or any other service or utility shall be and are hereby reserved in, on or under the utility easements shown on the Plat for the benefit of the utility company supplying service to the lots or park areas and for the benefit of the owners of the lots and their successors and assigns, and such easements shall be appurtenant to each lot. Notwithstanding the provisions of this paragraph, easements for roads shown on the Plat will be deeded to the public.

B. All utilities, pipe, and service lines shall be underground.

C. Easement areas may be landscaped by property owners so as to enhance their appearance so long as the landscaping does not interfere with the use of the area as an easement.

D. After installation, all easement areas shall be restored at the expense of the utility or service entity doing the work to as near the condition as possible that existed prior to such work.

3. DESIGN REVIEW BOARD AND DESIGN REVIEW GUIDELINES

A. There is hereby created a Design Review Board, hereinafter referred to as the "Design Review Board," which shall consist of at least three (3) people, and who may include a builder or architect. The Design Review Board shall be initially appointed by the Developer and thereafter appointed by the Board of Directors of the Owners' Association. A majority of the Design Review Board shall be owners. In addition to the Design Review Board, the Subdivision Design Review Guidelines as hereby adopted and made part of these Covenants Conditions and Restrictions. The Design Review Board shall act in accordance with these Covenants and the Design Review Guidelines by majority vote.

B. Each member of the Design Review Board shall serve until he or she resigns or is replaced by the Board of Directors of the Owners' Association.

C. The Board of Directors of the Owners' Association may adopt such additional design review criteria, reasonable rules and procedures as it deems reasonable and necessary to carry out the Design Review Board's functions and comply with the intent of the provisions of these Covenants and the Subdivision Design Review Guidelines.

D. No structure, construction, landscaping, parking, sign, fence, wall, or other improvement shall be commenced, placed, constructed, erected, restored, reconstructed, altered, added to, or maintained on any lot until site plans, building plans and specifications, floor plans, elevations, and such other information as required by the Design Review Board in accordance with the Design Review Guidelines, including without being limited to size, shape, location, colors and building materials have been submitted to, reviewed and approved by a majority of the Design Review Board and a written building permit is issued to the applicant. The Design Review Board may conditionally approve the plans, subject to the lot owner's complying with the Design Review Board's requirements. All structures placed on a lot shall be of similar design, identical materials and colors consistent with the dwelling.

E. No mobile homes or modular construction shall be allowed.

F. All construction materials shall be new on the site. Old homes may not be moved onto a lot.

G. Fences are allowed subject to approval by the Design Review Board in accordance with the Design Review Guidelines, however fences will not be permitted within any designated wildlife corridor as indicated on the Plat.

H. All construction and improvements shall comply with prevailing standards of sound and proper construction. The owner and contractor shall be responsible for complying with all applicable building codes.

I. The Design Review Board shall have the authority to disapprove materials, locations, designs or plans if they are not in compliance with these Covenants, the Design Review Guidelines, or any other criteria adopted by the Board of Directors or prevailing standards of design and construction.

J. A lot owner may apply for a variance from the Covenants and Design Review Guidelines in cases of minor deviations from the Covenants or Design Review Guidelines. The Design Review Board may, at its discretion, approve, recommend or conditionally approve variances to the building and improvement covenants or minor variances to the Design Review Guidelines when it determines the same to be reasonable and not incompatible with the developing neighborhood and having no substantial affect upon the view shed of neighbors. A written application for a variance must be made to the Design Review Board. A majority of the Design Review Board shall approve, conditionally approve, or deny the variance in writing in accordance with the provisions of the Design Review Guidelines. If a variance is not recommended by the Design Review Board, the lot owner may appeal the decision to the Board of Directors, which shall reconsider the variance in accordance with the guidelines herein set forth.

K. All improvements, construction, reconstruction, alterations, remodeling, or any activity requiring the approval of the Design Review Board must be completed in substantial compliance with the plans and specifications approved by the Design Review Board. All such construction must be completed within one (1) year from the date construction is commenced.

L. The Committee or the Board of Directors shall have the power, authority, standing and right to enforce the Design Review Board's decision in any court of law or equity when it reasonably believes the same have been violated and shall have the authority to revoke or suspend building permits and/or order suspension or cessation of any construction or work in violation of these Covenants or of any permit issued by the Design Review Board in any manner permitted by law or equity.

M. The Design Review Board may require reasonable fees to be paid with the filing of plans and specifications and the issuance of building permits.

N. The Design Review Board shall be governed by the Subdivision Design Review Guidelines in its consideration of site plans, architectural plans and specifications submitted for its approval. Design Review Board approvals will be based on the application's merits and compliance with the Covenants and regulations and design criteria as set for in the Design Review Guidelines. The written Design Review Guidelines, including any additions or changes that may be added to the guidelines by the Owners' Association and/or Design Review Board for all construction shall be effective and binding upon each lot owner.

O. The Design Review Board or the individual members thereof may not be held liable by any person for any damages which may result from Design Review Board action, or lack of action, taken pursuant to these Covenants, including, but not limited to, damages which may result from correction, amendment, change, or rejection of plans, the issuance of building permits, or any delays associated with such action on the part of the Design Review Board.

4. OWNERS' ASSOCIATION

A. An Owners' Association is hereby established, known as the Stone Ridge Views Subdivision Owners' Association, hereinafter referred to as the "Owners' Association" or the "Association," for the purpose of promoting, developing, maintaining, administering and operating the Subdivision and the area, and performing the duties and responsibilities imposed upon the Association in accordance with these Covenants and the laws and regulations of the State of Montana and County of Madison, and assessing and collecting the costs and expenses of the Association including, but not limited to, water rights, recreational facilities, and fire protection facilities as may be more specifically designated; as well as road maintenance, grading, graveling, snow removal, and/or surfacing and park and other common area maintenance. All Owners of real property within the Subdivision shall be members of such Owners' Association and shall be bound by the provisions of the Articles of Incorporation and the By-laws of such Association. Lot Owners shall have one vote per lot on any issue to come before the Association. The Owners' Association shall be incorporated as a not for profit, mutual benefit corporation under the laws of the State of Montana by the Board of Directors.

B. The Owners' Association shall be governed by a Board of Directors elected each year at the annual meeting by a majority of members present or voting by proxy, one vote for each lot. The Board shall have the powers and duties necessary to enforce and carry out the Association's functions as set forth in these Covenants and as set forth in the Articles of Incorporation and the By-laws of the Owners' Association. The Association, through its Board, shall have the authority to make such charges and assessments to the members for the costs of operating and maintaining the Subdivision facilities, including roads, water supply facilities, fire protection facilities, recreational facilities, and other amenities, and as are reasonably necessary to carry out its responsibilities and duties. The Association shall have the power to levy assessments.

C. Such assessments shall be levied by the Board of Directors of the Association against the owners and the lots within the Subdivision. Assessments shall be billed at such times as the Directors shall determine, and notice of the amounts shall be mailed to each property owner. The assessments shall be assessed against each homeowner equally and against each vacant lot owner equally. All assessments become due thirty (30) days after the date of mailing. The Association has the authority to impose reasonable charges for interest, not to exceed the legal rate of ten percent (10%) per annum, and penalties for overdue payments. Assessments must be based upon an annual budget prepared and submitted to the membership in advance of or at the annual

or special noticed meeting, and the budget must have the approval of a majority of the members present and voting in person or by written proxy. No increase may be made in the budget without the prior approval of a majority of the membership votes present or represented by written proxy at an annual or special meeting. Unpaid assessments, upon notice thereof being duly filed of record with the Clerk and Recorder of Madison County, shall be a lien against the parcel of real property against which said unpaid assessment was made. Such lien may be foreclosed upon in like manner as a mortgage on real property, which foreclosure proceeding may include the addition of interest, court costs, expenses, and reasonable attorney's fees.

D. The Board of Directors shall consist of five (5) members, all of whom are owners of residential property within the Subdivision. The initial board shall consist of at least three (3) people, including the developer and his appointees until construction and development is complete, at which time the Board shall be increased to five (5) members selected and/or appointed from the owners as note above.

Until seventy-five percent (75%) of the lots have been sold and title transferred to owners, whichever occurs first, the Declarant reserves the right to appoint and remove all members of the Board and to exercise the powers and responsibilities otherwise assigned by the Declaration of the Association. By express written declaration, Declarant shall have the option at any time to turn over the Association and total responsibility for electing and removing members of the Board.

Members of the Board and their officers, assistant officers, agents and employees acting in good faith on behalf of the Association:

1. shall not be liable to the owners as a result of their activities for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith;
2. shall have no personal liability in contract with any owner or other person or entity.

5. WATER

A. All improvements or structures designed for residential use by humans shall be connected to individual domestic water facilities (well or well with connected storage cistern) constructed or installed by the owner or his or her licensed contractor.

B. The Association, through its Board of Directors, shall administer any irrigation water rights for the Subdivision and shall have the authority to act as the Subdivision's representative in the South Meadow Creek Water Users Association created to administer the irrigation water rights and ditches in Certificate of Survey No. _____.

No Owner shall irrigate more than 10,000 square feet of lawn and garden within his or her lot. Said 10,000 square feet shall immediately surround any home location upon said lot. Non-irrigated portions of the lot shall remain subject to care and weed control as set forth in the Design Review Guidelines and the Wildlands/Wildfire Interface Plan (Appendix "A" to the Stone Ridge Views Design Review Guidelines).

C. The Association, through its Board of Directors, shall administer any dedicated water rights for the Subdivision and shall administer any water rights required for common areas within the Subdivision, including both domestic water and irrigation water for road easements, dedicated open space and/or parks within the Subdivision. The Association shall have the authority to charge a separate fee for the usage of the domestic water and to make assessments for the costs and expenses of installing and maintaining the water system including pumps, lines, pipes, electricity, wiring, sprinklers, and any and all other parts, equipment or material used in the Subdivision water system, both for domestic water use and for irrigation.

D. Other than existing irrigation ditches with associated water rights, water acquisition directly from any creek is prohibited other than water for the emergency use of the Fire Department. The Association has the right to construct a central irrigation system to serve the Subdivision if it determines that the system would be desirable. The Board of Directors shall review and approve all individual and central irrigation water systems. The Board shall have the right to institute water restrictions on all domestic water wells within the Subdivision if it becomes apparent that changes in, or low ground water conditions warrant it. Non-compliance with the restrictions shall be grounds for the Board to institute fines or levy liens. The Owners' Association shall pay any applicable water use assessment for use of water rights for the pond and/or common area irrigation.

E. In accordance with Department of Health requirements:

1. the water system will be used, operated and maintained to assure an adequate supply of safe and potable water for the benefit of present and future owners of properties connected thereto;
2. there will be a separate water supply maintenance fund used only for the repair and maintenance of the water system;
3. a contact person will be designated for communication with the DHES and other governmental agencies to assure compliance with water system regulations; and
4. responsibilities for monitoring and reporting in accordance with Title 16, Chapter 2, Sub-Chapter 20, ARM, and any amendments thereto will be performed.

6. ROAD MAINTENANCE AGREEMENT

By purchasing a lot in the Subdivision, each owner hereby acknowledges and agrees to participate in all road maintenance agreements and road restrictions that may be assessed or imposed by the Owners' Association, including participation in an assessment for maintenance for that portion of Elk Hills Road, including the existing bridge over South Meadow Creek, accessed through emergency use only from the required secondary exit to the Elk Hills Road juncture with South Meadow Creek Road and agreed upon by the Owners' Association in cooperation and mutual agreement with the Elk Hills Owners Association as a "fair share" yearly fee. Said fair share fee shall be based upon the yearly maintenance costs, including special assessments for upgrading or emergency repairs of said portion of Elk Hills Road, divided by the number of Stone Ridge Lots (18) and the number of Elk Hills Owners using that portion of the Elk Hills Road and bridge as noted above.

7. MAIL BOXES

Locations for mailboxes will be determined by the United States Postal Service.

8. TRASH AND GARBAGE

No trash, waste, garbage, litter, junk, or refuse shall be thrown, dumped, or left on any portion of the Premises and no burning of same shall be permitted. No incinerator or other device for burning of trash or garbage shall be installed or used, except as may be approved by the Design Review Board. Each owner or lessee shall provide suitable receptacles for the containment and collection of trash and garbage, which must be screened and in a bear-proof container, or in an enclosed structure such as a garage or home. Nothing contained herein shall be construed to prohibit or deny the installation of wood-burning fireplaces or stoves. Regular disposal of garbage and other trash refuse shall be the responsibility of the owner, shall be disposed of at a Madison County Landfill or dump station, and in no case shall be allowed to build up or accumulate to the point of being a nuisance to the Subdivision, the area, or adjoining property owners.

9. UTILITY LINES AND ANTENNAS

No sewer, drainage, utility lines or wires or other devices for the transmission of electric current, power or signals, including telephone, television, microwave or radio signals shall be constructed, placed or maintained anywhere in or upon any portion of the Subdivision other than within the buildings or structures, unless the same shall be contained in conduits or cables constructed, placed or maintained underground or concealed in or under buildings or other structures. No antennae for the transmission or reception of telephone, television, microwave or radio signals shall be placed on any lot without prior written approval of Design Review Board and/or the Association. Ham Radio-type antennae are specifically prohibited. Nothing contained herein shall be deemed to forbid the erection or use of temporary power or telephone facilities incidental to the construction or repair of buildings on the property.

10. SIGNS

All signs, billboards, posters, displays, advertisements, or any structures relating thereto shall have received approval by the Design Review Board in accordance with provisions as set forth in the Design Review Guidelines prior to installation or use; which restrictions shall also include signs for identification of streets, residences, and directional or location markers or signs. Signs shall not be permitted on public or commonly owned lands within the Subdivision, except as follows:

A. Street signs, directional and informational signs, and any subdivision entry signage as may be deemed appropriate by the Association and the Design Review Board in accordance with the Design Review Guidelines.

11. ANIMALS

A. No livestock, poultry, or other animals, except horses (see restrictions below), two dogs and two cats per residence, pet birds, or other small in-house pets, are allowed to be maintained on a lot.

B. All dogs, cats, and other pets shall be strictly controlled by their owners so as not to annoy or interfere with the use of the Subdivision by other owners and to prevent the interference or harassment of wild birds or animals in the Subdivision or on surrounding or adjacent properties. Dogs, cats and other pets shall be kept tethered or confined on the owner's property and shall not be permitted to roam free onto other lots or designated wildlife corridors, open spaces, or park areas without being on a leash or under the owner's immediate control. If an animal becomes a nuisance, hazard, or threat to other persons or animals in the Subdivision or to wild animals, the Association may order the owner of such animal to remove the animal from the Subdivision, and assess a \$100 fine per occurrence of this violation.

C. The commercial breeding, care, raising, or keeping of any animal is forbidden.

D. Horses shall be restricted to: One horse per five (5) acres up to a total of two (2) horses, but no more than two (2) horses on any individual lot. In no case shall horses be allowed on individual lots smaller than five (5) acres.

12. ENVIRONMENT

Every attempt shall be made to preserve and protect the environment indigenous to the area. All areas not utilized as sites for improvements on lots, where disturbed by construction or any human activity, shall be revegetated in accordance with the Design Review Guidelines. Every building site must include a landscape plan for approval by the Design Review Board in accordance with the Design Review Guidelines. Landscape

improvements must be installed within the planting season immediately following exterior completion of the residence.

13. MINING

No mining, quarrying, excavation, oil drilling, or like development shall be allowed in or on the Premises, except for such excavation as may be necessary in connection with the construction or placing of structures, improvements, driveways or roads thereon in accordance with the terms and restrictions of these Covenants and Design Review Guidelines.

14. TEMPORARY STRUCTURES

No temporary structures, trailers, campers, tents, shacks, or similar structures shall be used at any time on the Premises for temporary or interim habitation purposes, except for the construction period and then only with the prior approval of the Design Review Board and for a period not to exceed seven (7) months. Recreational trailers, boats, four wheelers, snowmobiles, campers, motorcycles, or other similar articles may be kept or stored on the premises so long as they are not used for habitation and are kept in enclosed structures as approved by the Design Review Board in accordance with the Design Review Guidelines. However, motor homes and recreational trailers may be parked on a lot and occupied by visitors or guests for a period not to exceed one (1) week or seven (7) consecutive days in any six (6)-month period.

15. NUISANCE

No noxious or offensive use or activity shall be allowed the Subdivision nor anything done or permitted on or in the Premises which shall constitute a public nuisance.

16. LAWN CARE AND WEED CONTROL

A. Every lot owner shall be responsible for the care of his or her lot, including weed control as set forth in the Design Review Guidelines and Subdivision Weed Management Plan on record with the County of Madison.

B. Both improved and unimproved lots shall be kept free of weeds. If the lot must be cleared of weeds and the owner fails to do so after notice from the Design Review Board or any persons in the Subdivision, the remedies set forth in Section 19 below may be invoked.

C. Weeds shall be controlled as set forth in the Design Review Guidelines and the Subdivision Weed Management Plan of record with the County of Madison in the road easements, open space and parks by the Owners' Association. The Owners' Association shall have the authority to levy assessments to cover the cost of such control as it deems necessary.

17. CONSTRUCTION

All construction on or in the Premises shall be diligently pursued to completion and, except for recreational construction in the parks, shall in any event be completed within twelve (12) months of commencement, unless specific written extension is granted by the Design Review Board. No construction material shall be placed or stored so as to impede, obstruct, or interfere with pedestrian or vehicular traffic, and no construction materials shall be placed or stored on residential lots for a period in excess of thirty (30) days following substantial completion of construction as shall be determined by the Design Review Board. No burning of material on site and the construction site shall be kept in a neat and orderly fashion.

18. COVENANTS REQUIRED BY MADISON COUNTY

A. The control of County-declared noxious weeds shall be the responsibility of the Owners' Association.

B. All park areas shall be maintained by the Owners' Association.

C. All fences bordering agricultural lands shall be maintained by the Owners' Association in accordance with state law.

D. All structures shall be built in compliance with the Uniform Building Codes for the State of Montana.

E. All public roads within the Subdivision shall be maintained by the Owners' Association. A plan for the long-term road maintenance and road maintenance while construction of the Subdivision occurs shall be adopted by the Board of Directors of the Association.

F. Lot owners' are placed on notice that adjoining land adjacent to the Subdivision is agricultural and is used for customary farming and agricultural operations; and the lot owners affirm neighboring land owners' rights to farm and use their land for the customary and usual agricultural purposes prevalent in the adjacent areas. Farming practices can result in dust, animal odors, flies, smoke and machinery noise. Standard agricultural practices feature the use of machinery early in the morning and sometimes late into the evening.

G. All houses shall display house numbers clearly for emergency identification.

H. No amendment or variance to these Covenants set forth in this Paragraph 18 shall be effective until approved by the County Commissioners of Madison County.

19. FIRE PROTECTION

A. Maintenance of Fire Protection Water Supply (for example: water systems, draft sites, fill sites, buried tanks or open ponds). Fire protection water supplies must be maintained to their original performance capability in perpetuity by the property owners. Performance of all fire protection features shall be certified annually by a licensed P.E. and submitted to the FPAHJ to ensure continued specified capability.

B. Maintenance of Fire Protection Feature (for example: defensible spaces, driveway routes, fuel breaks, fuel modification plan, greenbelts, etc.). Fire protection features must be maintained to their original performance capability in perpetuity by the property owners.

C. In the event that automatic sprinkler systems are an acceptable alternative for fire protection, as approved by the FPAHJ, the requirement of installation shall be included in an agreement with the local fire protection authority which shall be filed with the Plat.

D. Separation Between Buildings on the Same Lot. The separation between all structures protected by approved fire sprinkler systems and all detached, non-sprinkler protected structures, including accessory buildings, shall be a minimum of fifty (50) feet.

E. Driveways to Structures. To allow for emergency vehicle access to structures, the property owner shall provide a driveway meeting the following requirements as approved by the FPAHJ: a minimum unobstructed driving surface of 12 feet for driveways less than 300 feet long and a 16 foot driving surface for any driveway over 300 feet long; a vertical clearance of 15 feet; and a four foot zone of reduced vegetation on each side of the driving surface. If a driveway that is less than 16 feet wide is approved by the FPAHJ, turnouts shall be designed and constructed every 300 feet along and the driveway's length.

1. For all buildings or structure sites on driveways over 300 feet in length, the property owner shall provide a turnaround, including, but not limited to, a drive-through, cul-de-sac or hammerhead turnaround.

A turnaround shall be within 50 feet of the building or structure when there is no community water system with fire hydrants.

A turnaround shall be within 150 feet when there is a community water system with fire hydrants.

2. All gates, bridges, culverts, cattle guards and all related constructs shall be a minimum of two (2) feet wider on each side of the driveway. The entire driveway shall have a 30-ton minimum rating for two-axle trucks, including all bridges, culverts, cattle guards and all other constructs of the driveways.

20. ENFORCEMENT

A. In the event of any violation or threatened violation of these Covenants, any owner of real property in the Subdivision, or the Association, may enforce these Covenants by legal proceedings in a court of law or equity, including the seeking of injunctive relief and damages. In connection with such legal proceedings or as a separate remedy, the Association may enter upon the property in question and remove, remedy, or abate the violation or threatened violation after first having given proper notice and a reasonable opportunity for the violator to take action himself or herself to comply with these Covenants or to show cause why he or she is not in violation of the same, as set forth in subparagraphs B and C below, so long as such entry does not constitute a "breach of the peace."

B. Notice as required in subparagraph A above shall be in writing and shall be served on the person or entity concerned and shall specify the violation or threatened violation, identifying the property, demand compliance with the terms and conditions of these Covenants, and state the action which will be taken under subparagraph 19.A. above if the violation is not abated, remedied, or removed. If such notice cannot be personally served after a reasonable effort to locate the person or entity to be served, service may be had by mailing a copy to the last known address of the violator and/or posting a copy of such notice at a conspicuous place on the property which is the subject of the violation. Each lot owner shall be responsible for maintaining his or her current address with the Association.

C. After delivery of such notice to the owner, the owner shall have fifteen (15) days to respond to the notice and may request a hearing before the Board of Directors or a committee appointed by the Board of Directors where the owner shall have an opportunity to appear to deny the statements set forth in such notice and to show cause why he or she is not in violation of these Covenants. The Committee members may be lot owners or an independent arbitrator selected by the Board of Directors. Such hearing shall be set at a reasonable time, date and place subsequent to the delivery of the request by the property owner charged with such violation. Such hearing may be presided over by an independent hearing officer appointed by the Board of Directors who shall not be a property owner in the Subdivision. Following such hearing, the Committee shall rule on whether a violation of these Covenants is found. Each Committee member, including the hearing officer, shall have one vote and a majority shall rule. If a violation has been found to have occurred, the Committee shall give the property owner a time within which to remedy such violation, not to exceed ninety (90) days. If not so remedied within the specified time, then the self-help abatement or litigation provisions set forth herein may be invoked and pursued.

D. Actual costs, fees, expenses, and reasonable attorney's fees incurred in connection with any hearing or correcting, remedying, abating, preventing, or removing any violation or threatened violation of these Covenants established either through litigation, entry, or self-help following a hearing as provided in subparagraph 20.C. above, shall constitute a claim by the owner or Association initiating such action against

the owner of the property which is the subject of such violation or threatened violation. No costs or fees shall be incurred by an owner if no violation is found and in such event the Association or person bringing such charge shall pay for the costs and fees for such hearing and action. If a violation is found to have occurred, the Association or owner making such claim may file a lien against the subject property in the amount of and for the collection of the fees and costs, including medical costs by filing a verified statement of the lien with the office of the Clerk and Recorder, Madison County, Montana. Such lien statement must set forth the names of the claimant, a description of the property, the amount of the claim, the date of the claim, and a brief statement of the manner in which the fees, costs and expenses constituting the claim were incurred. Once filed, the lien shall remain of record as a lien against the property until paid in full or foreclosed in the manner otherwise provided for by law for the foreclosure of liens and encumbrances on real property or pursuant to the procedures set forth under Montana law for foreclosure of construction liens.

E. Failure or delay in enforcement of a covenant or a violation thereof shall not be deemed a waiver of the right to enforce such covenant or any other covenant.

21. COMPLIANCE

The owners, residents, lessees, and tenants of the property in the Subdivision shall be in compliance with the laws, rules, and regulations of Madison County or other municipal or governmental entity having jurisdiction over the Subdivision.

22. AMENDMENT

Subject to the provisions of these Covenants, or any portion thereof (except the provision of 2.A. **[CHECK THIS CROSS-REFERENCE; IT MAY NOT BE THE CORRECT PARAGRAPH REFERENCE]**, which shall not be amended without one hundred percent (100%) of the votes of the members affected), may be amended, restated, modified, or supplemented at any time by seventy-five percent (75%) of the vote of the owners present, in person or by written proxy, at a meeting, duly called and noticed, including a copy of the proposed changes or by the approval, duly signed by the owners of seventy-five percent (75%) of the vote of the lot owners within the boundaries of the Subdivision, based on one vote per lot. Such modification or amendment shall be effective upon the recording of a certification by the President and Secretary of the Board of Directors that the required seventy-five percent (75%) of the vote of the lot owners have voted in favor of the restatement, modification, or supplement and setting forth the same in writing in the certification. The certification shall be under oath and notarized and recorded with the Clerk and Recorder of Madison County. A copy of the recorded document shall be mailed to each lot owner at his or her last known address.

23. **SEVERABILITY**

A determination of invalidity of anyone or more of the Covenants or Conditions hereof by judgment, order, or decree of court shall not affect in any manner the other provisions hereof, which shall remain in full force and effect.

Dated: _____, 2009

STONE RIDGE CLUB, INC.
a Montana corporation

by _____
SAM SCOTT, President

STATE OF MONTANA)
 :ss.
COUNTY OF MADISON)

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public for the State of Montana, personally appeared SAM SCOTT, President of the Stone Ridge Club, Inc., known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for the State of Montana
Residing at: _____
My Commission expires: _____

(SEAL)

STORM WATER MAINTENANCE PLAN
Stone Ridge Views Subdivision

OWNER'S RESPONSIBILITIES FOR ROUTINE INSPECTION AND MAINTENANCE:

1. Retention/Detention ponds shall be kept free of trash, and the berms/slopes shall be mowed or otherwise maintained to provide for a pleasant appearance.
2. A cleanout stake (2"x 4" treated wood) shall be installed near the center of the pond. The cleanout elevation shall be clearly marked on the stake.
3. The owner shall inspect the retention/detention ponds monthly from May to October to insure that the original design capacity is in order. Records shall be kept in a separate log book of the inspections of said retention/detention ponds, indicating the bottom elevation and condition of the ponds.
4. Sediment shall be removed and the pond restored to its original dimensions when the sediment reaches the elevation marked on the cleanout stake.
5. Maintenance of the retention/detention ponds shall be the responsibility of the property owner or the property owner's association if one has been formed.

Dated this _____ day of _____, 200__.

Signed: _____

Title: _____